



ONE COUNTY
ONE VISION

VISION:

By achieving racial equity,
Milwaukee will be the
healthiest county in Wisconsin.

MISSION:

We enhance the quality of life
in Milwaukee through
great public service.



ONE COUNTY
ONE VISION

Milwaukee County provides critical community services.

Housing, mental health, public safety, parks, transportation, cultural and youth services are essential to maintaining a community where everyone can thrive.



ONE COUNTY
ONE VISION

Milwaukee County is in a fiscal crisis. We don't have enough funding just to keep up with our current programs and services, let alone make new investments in our community.

In order to achieve our vision, Milwaukee County needs a sustainable funding solution.



APPROACHING THE EDGE

Each year, Milwaukee County works to lift up vital community services. With no tools to compensate for increasing costs and added needs, the financial cliff grows steeper.

By 2027, Milwaukee County will have no local money to fund some of these priorities.



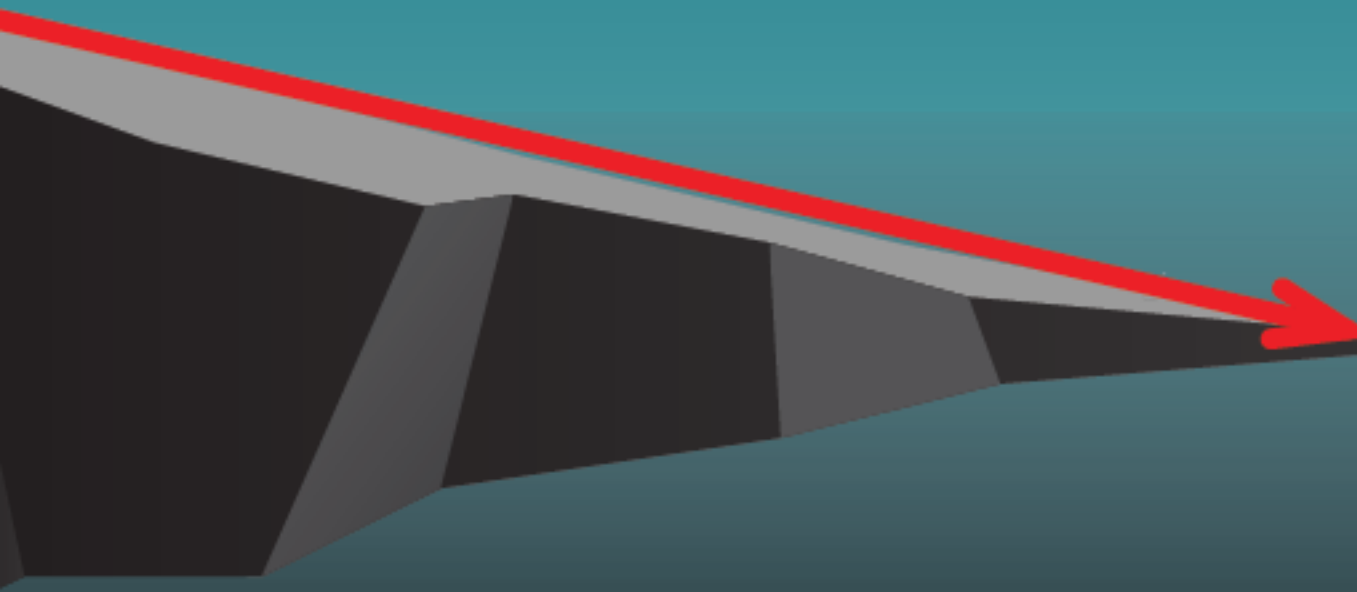
COMMUNITY NEEDS ARE INCREASING

- **Housing:** More than 7,750 applications have been filed for rent assistance from March to July 2021, with the overwhelming majority filed by young, Black females.

COMMUNITY NEEDS ARE INCREASING

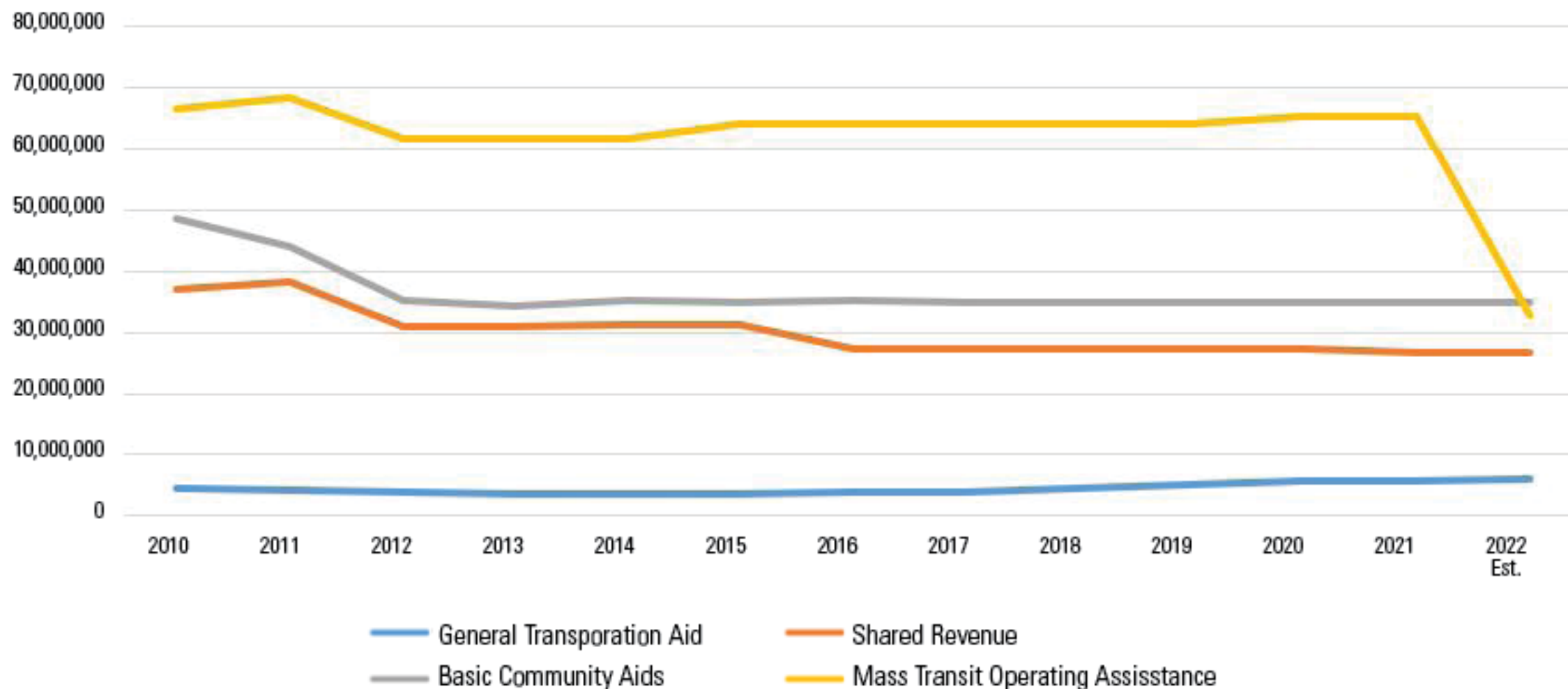
- EMS calls for suicide attempts, psychological needs or overdose have nearly doubled since before the pandemic. Mental health issues continue to disproportionately impact the County's communities of color, particularly Black residents.

COUNTY REVENUE IS DECREASING

- 
- Flat/Decreasing State Funds
 - Sending More to the State in Sales Tax Than We Get Back
 - COVID-19 Pandemic Caused Major Revenue Loss

Fewer Local Dollars for Local Priorities

TRENDS IN STATE AID TO MILWAUKEE COUNTY, 2010 – 2022





RAISING REVENUE

Wisconsin already has
the 6th highest **property tax**
burden in the United States.

We have raised property tax
as much as we can.



RAISING REVENUE

State aid has been flat and reduced since 2010 and is subject to competing state budget priorities.

The 2021-23 state budget reduces transit aids to Milwaukee County by \$32.7 million.



RAISING REVENUE

An increase in the **Vehicle Registration Fee** is the only tool currently available to the County, but would not provide enough revenue to meet the County's needs. It is also limited to uses related to transportation.



WHAT ABOUT FEDERAL HELP?

- Milwaukee County will directly receive \$183 million in American Rescue Plan funds.
- Actual revenue loss is estimated to be almost double ARPA funds received.
- ARPA Task Force will develop recommendations.



WHAT ABOUT FEDERAL HELP?

- ARPA funds can only be used through 2024 and will not solve the structural budget problem.

LOCAL OPTION SALES TAX REVENUE PROVIDES RELIEF



The addition of local sales tax revenue stabilizes the financial situation, giving the County more options to fund local priorities, protect services, and provide much needed property tax relief.



ONE COUNTY **ONE VISION**

Milwaukee County needs a sustainable revenue source in order to invest in our vision to achieve racial equity and become the healthiest county in Wisconsin.

WE NEED YOUR HELP!

- **Support Local Option Sales Tax Efforts.**
- **Contact Your Legislators.**
Look Up Your Elected Officials on myvote.wi.gov
- **Sign up for Updates at moveforwardmke.com**



**MILWAUKEE
COUNTY**

2022 Budget Summary



Achieving Our Vision

The Milwaukee County budget is being developed using a **racial equity lens** in order to advance three strategic focus areas:

1. Create Intentional Inclusion

- **Reflect the full diversity** of Milwaukee County at every level of County government.
- **Create and nurture an inclusive culture** across the Milwaukee County government.
- **Increase the number** of Milwaukee County contracts awarded to minority- and women-owned business.

2. Bridge the Gap

- **Determine what, where, and how** we deliver services based on the resolution of health disparities.
- **Break down silos** across the County government to maximize access to and quality of services offered.
- **Apply a racial equity lens** to all decisions.

3. Invest in Equity

- **Invest “upstream”** to address root causes of health disparities.
- **Enhance** Milwaukee County’s fiscal health and sustainability.
- **Dismantle barriers** to diverse and inclusive communities.



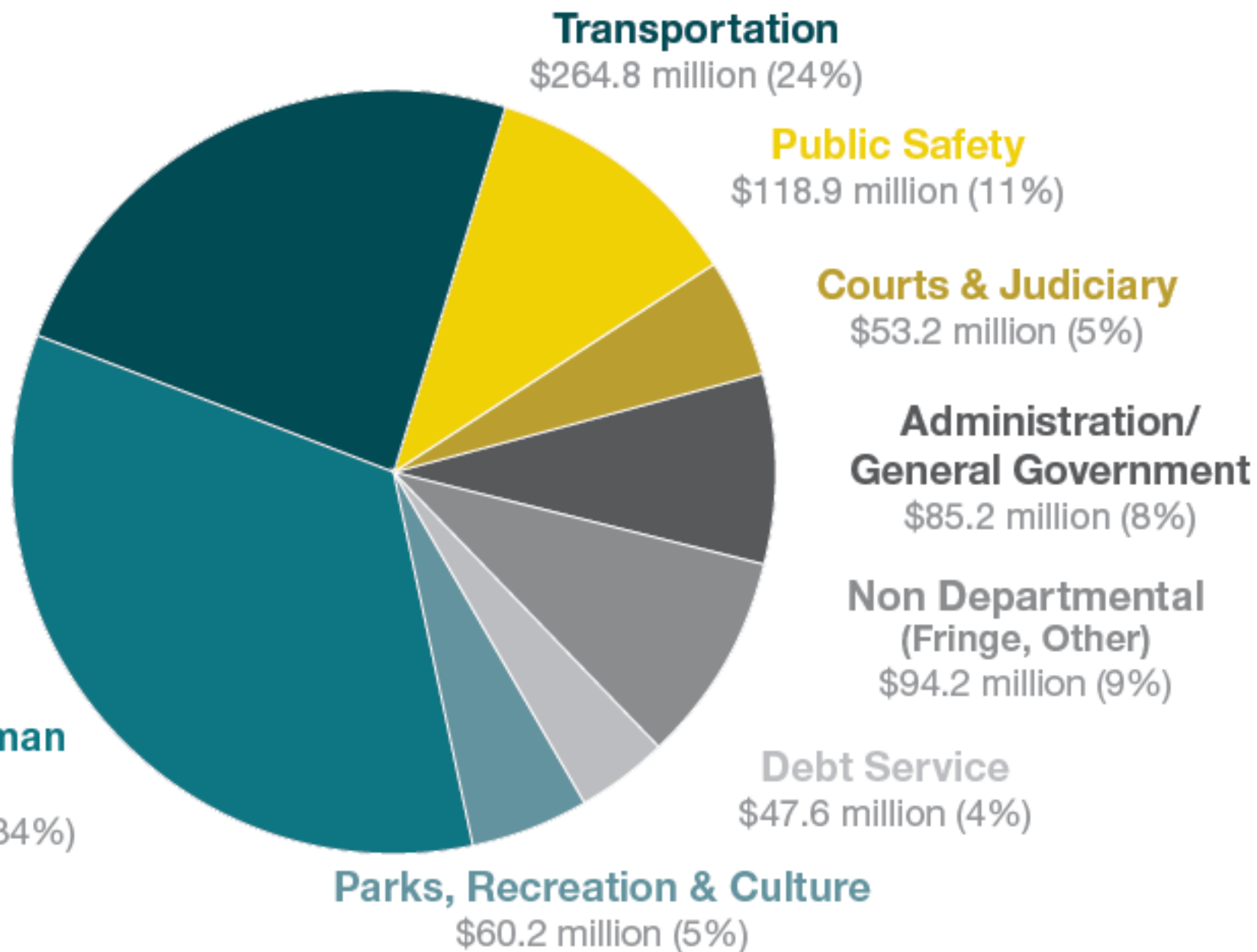


**MILWAUKEE
COUNTY**

2021 Operating Budget

\$1.1 Billion

**Health & Human
Services**
\$376.4 million (34%)





**MILWAUKEE
COUNTY**

2021 Operating Revenues

\$1.1 Billion

**Program Revenue
(Service Charges)**
\$372 million (34%)

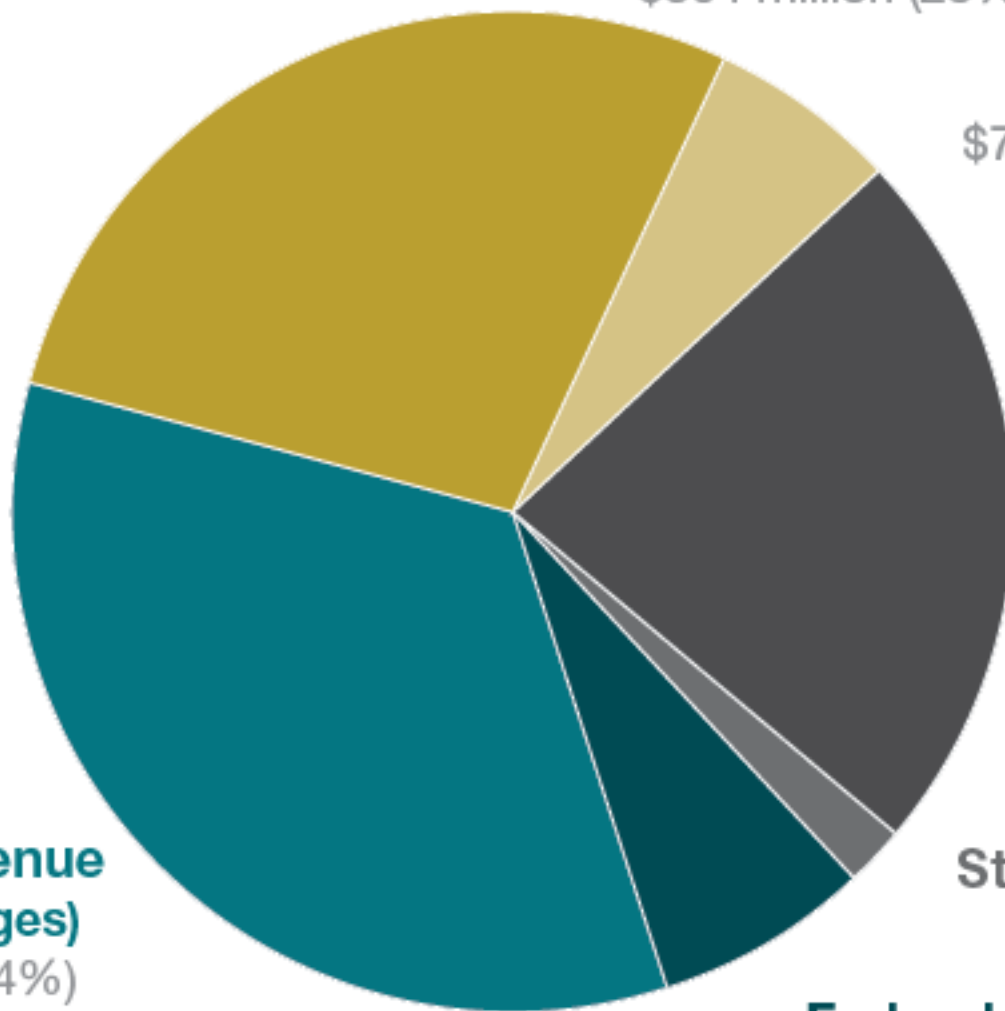
Property Tax
\$304 million (28%)

Sales Tax
\$70 million (6%)

Other State Revenue
\$248 million (23%)

State Shared Revenue
\$27 million (2%)

Federal Revenue
\$80 million (7%)



2022 BUDGET OUTLOOK

- Milwaukee County continues to be impacted by **ongoing structural deficit** caused by state revenue caps and increased cost of state mandated services.
- On average, **revenues grow by only 1.0%** per year while **expenses are expected to increase by 2.4%** (inflation).
- 2022 operating budget **gap of \$20.3 million** estimated for 2022.
- 2022 capital project requests exceed available funding by **\$78 million**.
- Federal recovery funds are available for one-time purposes.
- **Sustainable solutions remain needed** to remove financial constraints and allow the County to invest in local needs and priorities.



Limited Revenue Options

SALES TAX

The County cannot increase the local sales tax rate without changes to state law.



MONEY FROM THE STATE

State aid to counties has stayed flat since 2012.



PROPERTY TAXES

Only by the amount of net new construction/ net new borrowing in Milwaukee County.



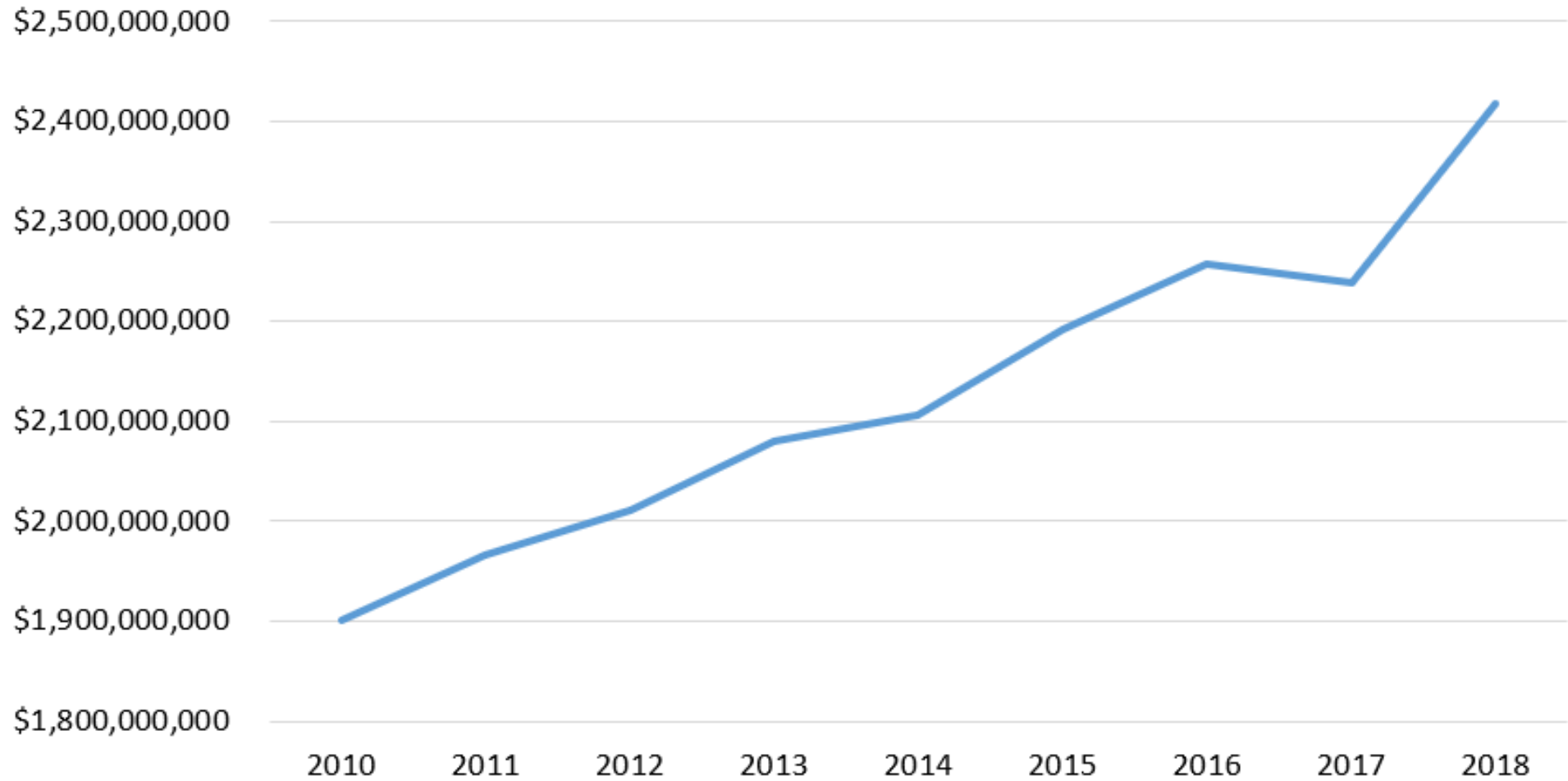
VEHICLE REGISTRATION FEE

The County has not reached the maximum we can collect by law. Could increase, if needed.



Milwaukee County Major Taxpayer Revenues to the State

(sales tax, income tax, excise tax, utility tax, other taxes)



2018 reflects the most recently available tax data from the State Department of Revenue



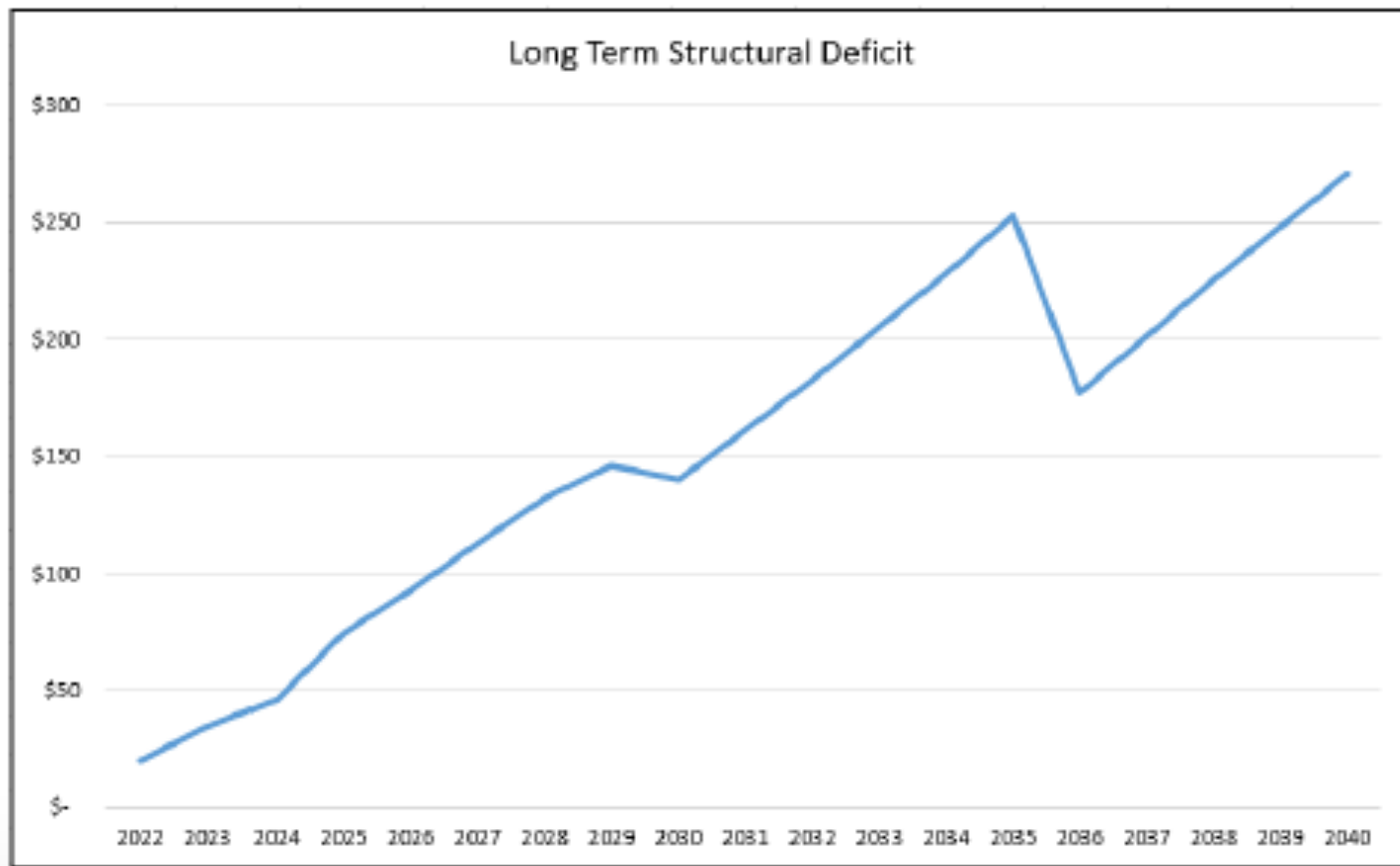
County Has Drastically Reduced Spending

- Milwaukee County has closed budget gaps of approximately **\$300 million** over the past decade. Savings examples:
 - **Reduced Footprint by 1.6 million sq. ft.** \$9 million
 - **Restructure of Post Employee Benefits (OPEB)** \$40 million
 - **Restructure to Work Comp** \$3 million
 - **Deferring Maintenance** \$35 million
 - **Staff Reduction of 1,400** (excluding DHHS) \$116 million
 - **Salary Step Freezes** \$55 million
 - **Employee Health & Pension Contribution** \$21 million
 - **VRF Revenue** \$17 million

The County has sought savings from administration and overhead first **to avoid cuts to services.**



Structural Deficit Continues To Grow



On average, revenues grow by 1.0% while expenses grow by 2.4%. Positive changes in 2030 and 2036 due to projected payoff of pension obligation bonds and unfunded liabilities

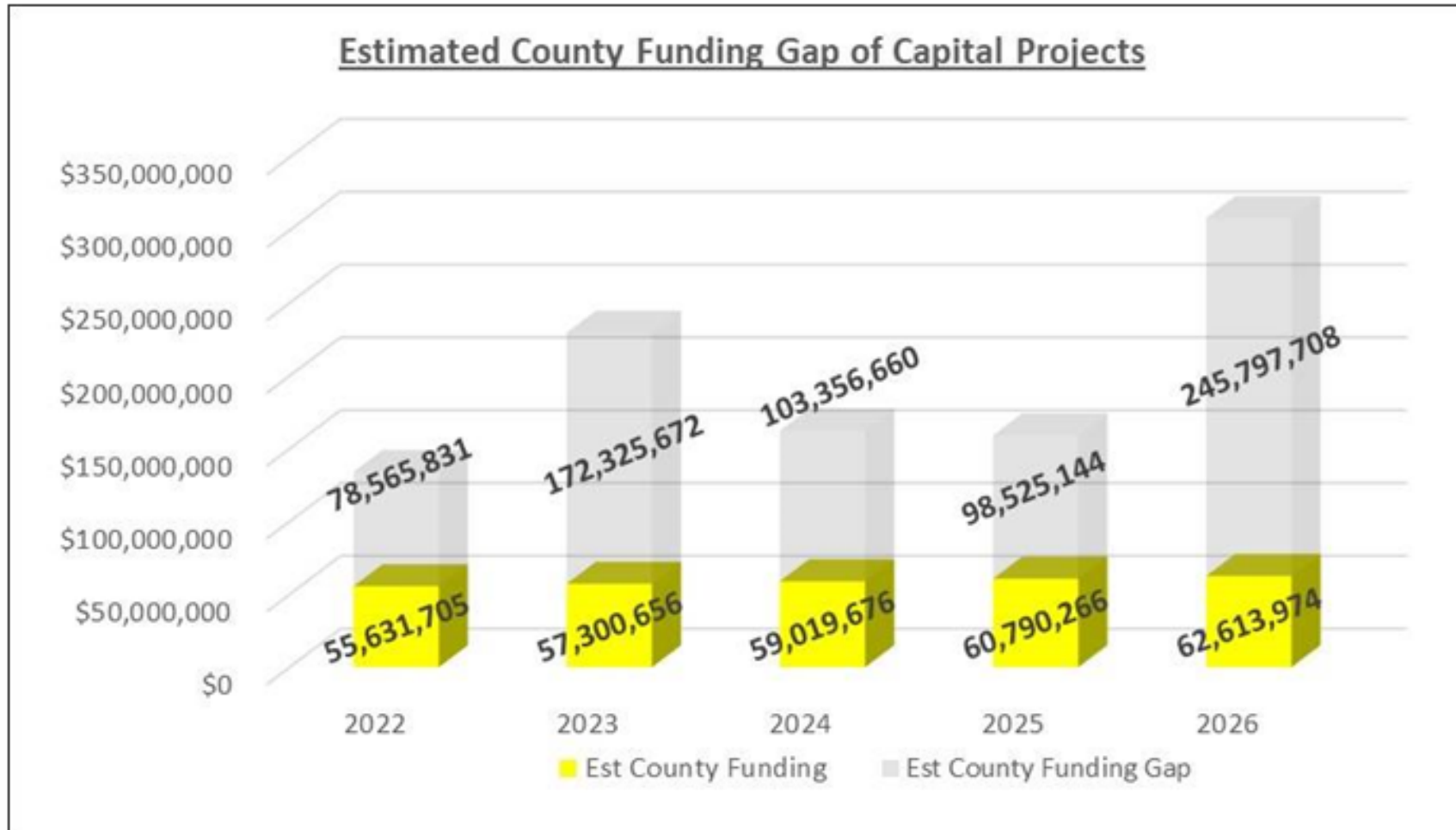


Closing the 2022 Budget Gap

- In the request phase, departments were asked to submit budget requests with the **same amount of tax levy as 2021**.
 - Inflationary increases estimated at \$12 million are not funded and must be absorbed.
- Other possible actions:
 - **Debt Service Reserve.**
 - **Revised Sales Tax Projections.**
 - **Recovery Funds** (for One-Time Items).
 - **Health Care Projections/Plan Design.**



Capital Needs Outpace Funding



2022 Major Capital Project Requests

- **Department of Transportation North Shop:** \$15.3 million
- **Coggs Human Svc Center** (multiple improvements): \$11.5 million
- **South Shore Breakwater:** \$17.8 million
- **Bus Replacements** (local share): \$6.3 million
- **McKinley Park & North Point Parking Lots:** \$9.9 million

Capital Funding

- **Total Project Requests:** \$134.1 million
- **Estimated Funding** (Bonding Cap): \$55.6 million
- **Capital Gap:** \$78.5 million



American Rescue Plan Act (ARPA)

- Milwaukee County received **\$183 million allocation** of ARPA local recovery funds.
- Funds are to be incurred by 2024 for designated purposes related to **COVID-19 response, economic recovery,** and **revenue loss** due to the pandemic.
- ARPA funds are **temporary** and should be applied to **non-recurring expenditures.**
- Board of Supervisors created **ARPA Task Force** to review funding options and make non-binding recommendations.
 - Preliminary report expected late 2021.



Find 2022 Budget Documents Online

county.milwaukee.gov/psb



2022 Budget Next Steps

- Aug. 15: **Requested Budgets Posted on County Website**
- Aug. 18, 23 & 24: **Budget Town Halls**
- Oct. 1: **Executive Budget Released**
- October: **Finance Committee Hearings**
- November: **Budget Adopted**



Public Comment





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